

The Numbers, and How Ireland Funds Them

A capital-light, grant-anchored path to a sovereign Irish drone line in the County Donegal Gaeltacht. Revenue projections, EBITDA breakdown, exchequer returns, and job creation modelled for Year 1-5.

Executive Summary - Key Metrics

Metric	Value	Note
Total Programme	€75M (phased)	National capability - 8 lines + R&D
Phase 1 Investment	€2.2M	Proves the line with grants + equity
Skilled Jobs Created	150	Gaeltacht ramp from 15 to 150
Year 5 Revenue	€60M	Extrapolated from Year 3: 9M
Year 5 EBITDA	~€20M	Estimated 33% EBITDA margin at scale
Gross Margin	62%	High-margin motor + drone assembly
Exchequer Return (5yr)	€8-12M + tax	Via PAYE, PRSI, corporation tax
Payback Period	~5 months	Cash payback on Phase-1 capex
Export Market (2033)	€31.6B	EU precision agriculture & energy

3-Year Illustrative P&L;

€'000s	Year 1	Year 2	Year 3	Notes
Revenue	500	3,500	9,000	Unit sales + scaling to production
Cost of Goods	(350)	(1,750)	(4,500)	In-house; scales with volume
Gross Profit	150	1,750	4,500	Margin: 30% → 50% as scale improves
Gross Margin %	30%	50%	55%	Target: 62% at full automation
Operating Costs	(650)	(1,400)	(2,600)	Staff + facility (Gaeltacht unit)
EBITDA	(500)	350	2,350	EBITDA-positive by Year 2
EBITDA Margin %	(100%)	10%	26%	Target: 33% margin by Year 5
Headcount	15	28	45	Growing team in Donegal

Key insights: Year-1 loss covered by grant-funded capital. EBITDA-positive in Year 2. Margin expansion driven by in-house motor production at scale (53-72% under import). Clears HPSU bar (€1M sales + 10 jobs) by Year 2.

Phase-1 Capital Structure (€2.2M)

Use of Funds	Amount	Turnkey production line (tier-1 OEM, under NDA)	€1.20M
		Facility fit-out (Gaeltacht unit leased)	€0.25M
		Test, QC & clean assembly area	€0.25M
		Engineering, tooling & jigs	€0.15M
		Certification & working capital	€0.25M
		Contingency	€0.10M
		TOTAL CAPEX	€2.20M

Sources of Funds	Amount
Údarás na Gaeltachta capital grant	€0.50M
Enterprise Ireland (Smart Regions/RD&I)	€0.40M
Enterprise Ireland HPSU co-investment	€0.50M
Founder/private/investor equity	€0.80M
TOTAL RAISED	€2.20M
Non-dilutive %	~59%

Grant stack: ~59% non-dilutive (grants + State co-investment). Investor equity ask ≈ €0.8M. Modelled figures - to be set with advisers.

Return to the Irish State (5-Year Cumulative)

Revenue Channel	5-Year Cumulative (€)	Notes
Employment Taxes (PAYE + USC + PRSI)	€8-12M	150-job ramp in the Gaeltacht
Employer PRSI (~11.05%)	€2-3M	On a growing payroll
Corporation Tax @ 12.5%	€3-4M	On the EBITDA ramp by Year 5
Import Substitution Value	€20-30M+	€14k-22k kept onshore per indigenous drone
Sovereign Defence Capability	Strategic	Indigenous supply to the €1.7bn plan

Key insight: Grants are returned through tax and jobs within a few years. Surplus margin is reinvested into Irish jobs. This de-risks the public money and makes the investment self-funding via the revenue stream.

Job Creation & Workforce

Role	Year 1	Year 2	Year 3	Year 5 (Est.)	Notes
Motor Winding & Assembly	8	14	20	50	In-house motor production
Test, QC & Integration	4	7	12	30	Quality control and assembly
Engineering & Design	2	4	6	15	Continuous improvement + IP
Supply Chain & Logistics	1	3	5	25	Procurement, shipping, spares
Sales, Support & Admin	0	0	2	30	Customer support and business ops
TOTAL HEADCOUNT	15	28	45	150	Gaeltacht-based

Renewable workforce: 150 skilled jobs in the Donegal Gaeltacht, plus supply chain of sales, repair, and training. A renewable local economy, not a one-off contract.

Risk Mitigation

Risk	Mitigation
Demand uncertainty	County pilots (€50-150k) validate use cases before full scale. Recurring revenue (DaaS) de-risk
Supply chain (motors)	In-house production moves €2-3k motor cost to IP+margin. Reduces reliance on imports.
Certification delays	EASA C-Class declaration of conformity is the bottleneck. Engagement with IAA ongoing.
Capital overruns	Turnkey OEM quoted under NDA. Facility fit-out uses leased space (lower lock-in). 10% conting
Cash runway	Phase 1 self-funds operations by Year 2 EBITDA-positive. Recurring revenue (leasing model) st
Equity dilution	59% non-dilutive (grants). Investor equity scales with proof, not up-front.

For the State: own the fleet, lease the capability, keep the revenue and the control in Irish hands.